CAPITAL PROJECTS AND BOND OVERSIGHT COMMITTEE

Minutes

August 19, 2008

The Capital Projects and Bond Oversight Committee met on Tuesday, August 19, 2008, at 1:00 PM, in Room 169 of the Capitol Annex. Representative Mike Denham, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Elizabeth Tori, Co-Chair; Representative Mike Denham, Co-Chair; Senators Tom Buford and Dan Seum; and Representatives Robert Damron, Steven Rudy, and Jim Wayne.

Guests testifying before the Committee: Carol Henderson, Robin Brewer, and James Baughman, Administrative Office of the Courts; Nancy Brownlee, Finance and Administration Cabinet; Bob Wiseman and Lance Broeking, University of Kentucky; Tom Howard and Brent Antle, Office of Financial Management; Jim Ackinson, Kentucky Higher Education Student Loan Corporation; Katie Smith and Hollie Spade, Economic Development Cabinet; and Sandy Williams, Kentucky Infrastructure Authority.

LRC Staff: Nancy Osborne, Shawn Bowen, Kristi Culpepper, Pat Ingram, and Jennifer Luttrell.

Representative Rudy made a motion to approve the minutes of the July 15, 2008, meeting. The motion was seconded by Representative Damron and approved by voice vote.

Representative Denham asked Nancy Osborne, Committee Staff Administrator, to review correspondence and information items. Included in members' folders was correspondence from the Secretary of the Finance and Administration Cabinet to the Committee regarding the proposed Kentucky Infrastructure Authority (KIA) Fund A loan to the City of Williamstown. [At the Committee's June meeting, a $17.8 million KIA loan proposed to construct a new sewer plant was not approved by the Committee. The Committee voiced concerns about the rate increases and whether the citizens were aware of the proposal.] The Finance Secretary has directed KIA staff to attempt to address the Committee's expressed concerns. Correspondence was also submitted by the University of Louisville reporting the unbudgeted purchase of three pieces of scientific research equipment.

Ms. Osborne next discussed two information items: the Staff Update and an update of allocations by the Private Activity Bond Allocation Committee of the local issuer bond pool cap. Ms. Osborne noted the Staff Update contained articles regarding the $50 million taxable revenue anticipation bond proposed by the Student Loan Corporation to provide student loans; the purchase of Northside Public Library in Lexington by the University of Kentucky; the progress of repairs at Wolfe Creek Dam at Lake Cumberland; and an on-going design study of the Capital Plaza Tower Complex in Frankfort and the associated August public meeting where options to renovate or demolish the Capital Plaza Tower were discussed.

In response to a question from Representative Wayne regarding the proposed KIA loan to the City of Williamstown, Sandy Williams, KIA Financial Analyst, said that it is KIA's intent to bring the Williamstown project back to the Committee for review at a future meeting.

Representative Wayne noted that some dramatic changes relating to the construction of the Louisville Arena have happened over the last few weeks, and asked if the Committee should be updated on the project. Ms. Osborne said a report will be made to the Committee after the bonds are sold. In April, the Committee voted not to approve the project, and the Secretary of Finance subsequently transmitted a written determination to the Committee pursuant to KRS 45.810 to proceed with the bond issue and move forward with the project.

In regards to the Louisville Arena Authority (LAA) bond issue, Representative Wayne noted there had been various structures discussed in the Committee and in the press, including an approach involving local bank financing.

Mr. Howard, Executive Director, Office of Financial Management, responded that his understanding is that a preliminary offering document for the bonds is being reviewed by market participants. The transaction will be entirely fixed rate, with tax-exempt, senior taxable, and subordinate taxable components. Most of the bonds will be insured by Assured Guaranty, which was the insurer of record when submitted to the Committee in April. [In November 2007, when the bond issue was first presented to the Committee, the bond insurer selected was Ambac.] Assured Guaranty is trading at wider spreads than initially thought, but is in an acceptable range. Bond insurance would be of benefit to LAA to achieve a lower interest cost than LAA could based on its own credit.

In response to a question from Representative Denham, Mr. Howard said the Secretary of Finance has given the approval to proceed with developing this financing arrangement and the success of the financial arrangement will now depend upon the investors. He added that the bond resolution as presented in April to the Committee has not been amended for this bond structure, which eliminates the variable component and the swap component. The size of the bonds will be less than the maximum amount of $360 million.

Representative Wayne asked what happened to Ambac, the bond insurer of record when the project was submitted to the Committee in November 2007. Mr. Howard said Ambac was placed on credit watch for a possible downgrade. Another insurer, Assured Guaranty, was then selected.

In response to further questions from Representative Wayne, Mr. Howard said an alternative previously being considered was a variable rate transaction secured by direct pay letter of credit provided by a local banking consortium that could have an insurance component. It may not be directly associated with those variable rate bonds. He clarified that Assured Guaranty has not been downgraded, but has been placed on watch for a possible downgrade. All the other insurers that were placed on watch for downgrade were in fact downgraded, which made the investors back away. Now that Assured Guaranty has disclosed more information to the market place, the market is becoming more comfortable with debt insured by Assured Guaranty, but not at the same price level. Interest rates will be slightly higher for Assured Guaranty insured paper.

Senator Seum asked what would be the effective interest rate for the bond issue. Mr. Howard said he did not know the exact structure of the bond issue at this point.

Senator Seum asked when the Louisville Arena Authority plans to address the Committee. Representative Denham said the Committee will receive a report after the sale of the bonds.

Representative Damron asked if the insured portion of these bonds will be considered asset-backed securities or general obligation bonds. Mr. Howard said the bonds will not be general obligation bonds. The structure has been adjusted, but the revenue pledge is the same as it has always been. Mr. Howard said the bond issue is not an obligation of the Commonwealth of Kentucky.

Representative Damron asked if this bond issue would have a high insurance premium. Mr. Howard said debt backed by Assured Guaranty is now trading at a higher interest rate. He said the company will have to reduce its premium to offset the additional cost to make it a viable transaction.

Turning to New Business, Representative Denham asked the Administrative Office of the Courts (AOC) to discuss the Fiscal Year 2008 Annual Report for the Court Facility Use Allowance Contingency Fund. Carol Henderson, AOC Budget Director, Robin Brewer, Fiscal Analyst, and James Baughman, AOC Architect, came forward. Ms. Henderson said the balance in the Use Allowance Contingency Fund for Fiscal Year 2008 was $259,500, and taking into consideration an allocation of $11,450 approved by the Committee for the Robertson County court facility, the remaining balance for FY 2009 will total approximately $248,000.

Representative Wayne asked if this Fund is sufficient to address anticipated future needs. Ms. Henderson said they are not going to know at this point, but AOC intends to stay within the authorized use allowance for all its projects. She said with the exception of projects in Pulaski and Shelby counties, they have issued bonds for all court facilities authorized in 2005. Bonds for all projects authorized in 2006, except for Franklin County, have been issued as well.

Representative Wayne commented that material costs have risen significantly and the remaining balance in the Use Allowance Contingency Fund will not help much.

Representative Denham asked how many court facility projects are in construction. Ms. Henderson responded that 35 projects are in construction. Mr. Baughman added that projects authorized in 2008 would bring the total AOC court facility projects up to 40.

Representative Rudy asked about the status of the Carlisle County court facility. [This facility was destroyed by fire in late 2007.] Mr. Baughman said this project is being fast tracked. He said he did not know if they have executed a contract, but they have selected an architect. Representative Rudy commented that site work is underway.

Representative Denham then invited Bob Wiseman, Vice President for Facilities Management, University of Kentucky (UK), and Lance Broeking, Campus Services Administrator, UK, to discuss private developments on UK Coldstream Research Campus (Coldstream).

Mr. Wiseman said the university is reporting all ground leases at Coldstream dating back to 1991 together in one package. He said in the past it was unclear as to whether these developments were reportable items, but the university will now go forward under the assumption that all ground leases at Coldstream are reportable items.

Mr. Wiseman said the Coldstream Campus contains 735 acres. Of that amount, 225 acres are dedicated and set aside as park land, 300 acres are still available for development, and 210 have been developed to date. The university has ten land leases involving 14 lots on the property. Each of the ground leases go before the UK Board of Trustees for review and approval. The terms can vary, but generally they are 100-year ground leases at roughly $10,000 per acre per year, plus an escalator clause during the life of the ground lease.

Mr. Wiseman said the overall goal for Coldstream is to create a research campus with a strong linkage to UK's campus research. In particular, the university wants to create employment opportunities for recent graduates. The park is a mixture of companies and businesses, and currently employees about 1,000 people.

Representative Wayne asked if UK uses a public procurement process to advertise the opportunity to lease space at its Coldstream Campus. Mr. Wiseman responded that the approach varies depending upon the development. If the university itself is going to occupy and staff the facility, UK follows the public procurement process and prevailing wage laws. If the facility is built and owned by the private sector and ownership does not revert to the university at the end of the lease, and if the facility does not have any oversight or maintenance by UK, the university does not go through the public procurement process.

In response to another question from Representative Wayne, Mr. Wiseman said the university has not entered into any new leases since the Franklin Circuit Court's ruling in March 2008 regarding the application of the state's prevailing wage laws. He said the university's attorneys are reviewing how the ruling would apply to ground leases associated with purely private projects.

Representative Wayne commented that he did not see any difference whether the construction at Coldstream was completed by a private company or by the state, it will still be constructed on state property. Mr. Wiseman responded that the university uses certain variables to determine whether or not payment of prevailing wage is necessary.

Representative Wayne requested that before the university makes a decision regarding the payment of prevailing wage, they come back to discuss the matter with the Committee. He said the state is involved in an entrepreneurial effort, and owns the land and pays for all of the infrastructure that basically subsidizes development costs for the corporations, yet the corporations do not have to follow the statutes regarding the procurement code and prevailing wage.

Senator Buford said there may be different interpretations of the Court's decision regarding prevailing wage. He said he did not think the decision included projects that were purely for private use.

Mr. Wiseman said the university did not believe prevailing wage statutes apply to private developments that are used for private purposes that are located on state property. He explained that the university uses four thresholds to determine the payment of prevailing wages: is the project on state-owned land, is it for the sole use and benefit of the university, will the university assume ultimate ownership of the facility, and does the university maintain the facility. In this case, the university has determined that prevailing wage would not apply when three out of the four questions are answered no.

Senator Buford said the question of maintenance of the facility is tricky since it may allow UK a way out of paying prevailing wages.

In response to a question from Senator Tori, Mr. Wiseman said the university is the overall site manager at Coldstream in terms of leasing the facilities and advertising. He said they maintain the common grounds within the development, but not the individual buildings.

Representative Denham said he appreciated the university appearing before the Committee today. This item did not require Committee action.

Nancy Brownlee, Director of the Division of Real Properties, reported three lease reports. The first item was a report of a new lease for the Cabinet for Health and Family Services (CHFS) in Franklin County. The proposed new lease is a result of advertising for space for both CHFS and the Education Cabinet, Department for Workforce Investment. The new lease provides for 5,790 square feet of office space and approximately 12,900 square feet of warehouse space at an annual cost of $100,815. Of the total warehouse space, approximately 2,500 will be utilized by the Education Cabinet through an interagency lease agreement. The lease has an expiration date of June 30, 2008.

Ms. Brownlee said the physical move will be performed in-house by CHFS staff and the anticipated cost to move is approximately $7,283. The funding source for the relocation is the General Fund.

Representative Damron made a motion to approve the new lease. The motion was seconded by Representative Rudy and passed by unanimous roll call vote.

Ms. Brownlee next reported a lease modification for the Energy and Environment Cabinet (EEC) in Franklin County. This item was reported to the Committee in December 2007 as an informational item and relates to the consolidation of EEC and the backfill of leased space at the Fair Oaks property vacated by the Department of Revenue. [The Department of Revenue has moved into the renovated State Office Building.]

In December, EEC submitted a space request to lease a portion of the space vacated by Revenue at Fair Oaks in order to secure additional space and to consolidate from a number of leased locations into one central location. The proposed consolidation of EEC will allow cancellation of six existing leases, housing approximately 550-560 staff. The six leases to be cancelled represent 112,769 square feet with a combined annual rent of $930,241 for the Divisions of Water, Air Quality, and Waste Management.

Ms. Brownlee said the proposed modification will assign the lease from Revenue to EEC; reduce the lease space by 74,924 square feet from 211,495 to 136,571 square feet; reduce the annual rent by $741,621 from $1,981,686 to $1,240,065; and add two automatic extension periods extending the lease through June 30, 2012. Ms. Brownlee said the agency anticipates completion of this move by November of this year, and the funding source for the proposed consolidation and move of EEC is agency restricted funds. She added that she would provide the proposed relocation costs when she receives them.

Senator Buford made a motion to approve the lease modification. The motion was seconded by Representative Damron and approved by unanimous roll call vote.

The last item Ms. Brownlee reported was a report of changes in square footage for three state leases for the period April through June 2008. The lease modifications were less than $50,000 and did not require Committee action.

Next, Ms. Williams presented two KIA Fund B loans for approval. Both loan requests were approved by the KIA board at its August meeting. The first request was from the City of Carrollton for a Fund B Loan in the amount of $750,000 to extend public sewer service to 320 homes in Owen County. The Fund B Loan will be combined with additional grant proceeds for a total project slightly over $2.3 million.

Senator Buford made a motion to approve the loan. The motion was seconded by Senator Tori and approved by unanimous roll call vote.

Ms. Williams then discussed a request from the City of Louisa for a Fund B Loan in the amount of $1 million to study and address problems at its sewer plant related to an April 2008 Notice of Violation from the Division of Water. The loan proceeds will be combined with grant proceeds for a total project amount of $1,075,000.

Representative Wayne made a motion to approve the loan. The motion was seconded by Representative Damron and approved by unanimous roll call vote.

Ms. Williams next presented various coal/tobacco development grants that were funded through line item appropriations from the General Assembly in 2006. No Committee action was required.

Representative Denham next introduced Katie Smith, Deputy Commissioner for the Department of Financial Incentives, Cabinet for Economic Development. Ms. Smith reported an Economic Development Bond (EDB) grant of $500,000 to the Louisville/Jefferson County Metro Government for the benefit of Sud-Chemie, Inc. Sud-Chemie will use the proceeds of the grant to expand its research and development operations by acquiring $1.2 million in additional research and development equipment at the Louisville facility. In consideration of the grant, the company will be required to create 20 new permanent full-time technical and upper management jobs for Kentucky residents by December 31, 2010, paying average annual wages of not less than $72,000 excluding benefits. The company must also retain its current workforce of 351 full-time employees at all of its Louisville operations.

Representative Wayne made a motion to approve the project. The motion was seconded by Senator Tori and approved by unanimous roll call vote.

Ms. Smith reported modifications of the intended use of funds for two Department for Commercialization and Innovation (DCI) projects. The first modification was for dbaDIRECT. In July 2008, the Kentucky Economic Development Finance Authority (KEDFA) approved the company's request to use funds in the amount of $469,000 for the development of a database monitoring agent.

The second modification reported was for the Kentucky Natural Products Fund. In June 2008, KEDFA approved the use of the Natural Products Fund's remaining $4.25 million by Commonwealth Seed Capital (CSC) to invest in high-tech companies without restriction as to the nature of the product venture. The reasons cited for the change of purpose were the lack of eligible natural product companies and the shortage of funds for general investment. KEDFA's resolution also allows these funds to be comingled with other CSC funds.

Representative Wayne asked if this money was set up statutorily to be used for natural products and if this action is broadening the use of this money because there were not enough applicants. Hollie Spade, Executive Director, Office of Legal Services, Cabinet for Economic Development, explained that there was no statutory change needed to provide the restriction that KEDFA and the partnership board had placed on those funds originally.

Representative Wayne noted that since 2003, KEDFA utilized only $750,000 from the Natural Products Funds. He asked how the availability of funding was advertised to the public. Ms. Spade said it was difficult to find projects that fit the qualifications for funding. The funds were for early seed stage companies promoting a new concept.

Representative Denham asked what other funds from what sources are available to Commonwealth Seed Capital. Ms. Spade said the CSC funds are all from the General Fund that are appropriated to KEDFA and distributed through the Partnership Board with KEDFA approval. No action was required for this reallocation from the DCI / New Economy pool.

Representative Denham asked Mr. Howard to discuss items submitted by OFM. Mr. Howard first introduced Brett Antle, the new Deputy Director for OFM, and Mr. Rick McQuady, Chief Executive Officer, of the Kentucky Housing Corporation (KHC). He then discussed a new bond issue, Kentucky Housing Corporation Single Family

Housing Revenue Bonds, 2008 Series. The proceeds of the bond issue will be used to originate single-family mortgage loans in an amount not to exceed $150 million.

Mr. McQuady said the proceeds from this bond issue should provide funds for KHC until the end of 2008. He then briefly updated the Committee on the effects of the new housing stimulus bill passed by Congress and signed by the president in July. He said any new bonds issued after July 30 will be exempt from the Alternative Minimum Tax (AMT), which hopefully will lead to more buyers in the bond market and reduced borrowing costs. Among other provisions, the bill includes $11 billion in additional private activity bond cap nationwide. For Kentucky, this means an additional $139 million that can be used for single-family and multi-family programs until 2010.

Senator Buford made a motion to approve the new bond issue. The motion was seconded by Representative Damron and approved by unanimous roll call vote.

Mr. Howard discussed another new bond issue, Kentucky Higher Education Student Loan Corporation (KHESLC) Taxable Revenue Anticipation Bonds. He invited Mr. Jim Ackinson, Chief Operating Officer, KHESLC, to join him at the table.

Mr. Howard said the proceeds from this bond issue are $50 million and will be used to provide short-term bridge financing to allow KHESLC to originate student loans for the upcoming academic year. The notes have a maturity date of November 15, 2009, and this transaction will be a private placement with the Commonwealth of Kentucky State Investment Commission.

Mr. Ackinson said student lenders participating in the Federal Family Education Loan Program (FFELP) have had difficulty obtaining capital through the bond market. In May Congress enacted HR5715, known as the "Ensuring Continued Access to Student Loans Act of 2008", which in effect allows the federal government to fund the loans. The federal Department of Education is in the process of putting together this program, whereby loans originated by KHESLC will be put in a participation pool for up to one year and effectively have a federal take-out. He said the one missing component of this program was the bridge financing. Unfortunately, the federal government cannot loan dollars directly.

Mr. Ackinson said the $50 million will provide enough liquidity to originate loans, which will subsequently be put back to the federal government into participation pools. He said it was unfortunate that the federal solution did not come quickly enough and, as of last Friday, KHESLC had to cease purchasing loans for a period of time. The transaction will close this week, and KHESLC will lose approximately five business days. He said the total volume of loans will be $500 million or more.

Representative Denham said he applauded KHESLC's creative financing efforts given the student loan crisis. He asked if this type of financing had been done before. Mr. Howard responded that to his knowledge it had not. Mr. Ackinson added that this is a national problem and there are some other similar organizations across the country working on similar arrangements.

In response to another question from Representative Denham, Mr. Ackinson said the bonds are secured by these student loans, which are regular FFELP loans from the federally-insured program.

Representative Denham said community banks used to fund student loans. He asked if any thought had been given to allowing community banks back into the role of providing those loans. Mr. Ackinson said generally the small community banks have not introduced this kind of product line. He said they are certainly able to do so and participate, but this line of business is not very profitable.

Representative Denham said one of the reasons for this crisis is that across the country only a few large commercial lenders are now involved. Mr. Ackinson noted that even the big commercial banks are not as interested in this market because these loans are not held on the balance sheet for more than a year.

Senator Buford asked if this bond issue will affect the state's debt capacity or creditworthiness, and will the state be liable for the bond issue. Mr. Howard said this particular 1983 trust indenture does carry the moral obligation to replenish the debt service reserve fund, but there are no other loans outstanding. The debt service reserve fund, which is funded at $1,590,000 for one year, will be prefunded, so this requirement would be satisfied.

In response to questions from Senator Buford, Mr. Ackinson said the Ensuring Continued Access to Student Loans Act of 2008 (HR 5715), expires on September 30, 2009. After that, KHESLC will either wait for the financial markets to rebound or find another solution in conjunction with the federal Department of Education.

In response to questions from Senator Seum, Mr. Ackinson said the federal government guarantees these loans and, if the loan goes into default, the federal government will pay the lending agency.

Senator Seum asked why federally insured loans are considered risky if they are guaranteed. Mr. Ackinson said all asset-backed paper through the Federal Family Education Loan Program has been AAA rated paper from the beginning. However, a lot of institutional investors are afraid to put their money anywhere because they are recovering from other losses.

Representative Wayne asked why these bonds did not affect the state's debt capacity. Mr. Howard said these are non-appropriation supported obligations. All KHESLC and Kentucky Housing Corporation bonds are asset-backed off-balance sheet debt secured solely by the entities' revenues. These two state entities have a statutory bond cap and are not subject to annual appropriations. He said the state, in this case, is purchasing the bonds from KHESLC as an investment. Mr. Ackinson added that to ensure the credit quality in accordance with the state investment policies, the bonds went through a rating process and received a AA- rating.

Representative Wayne commended Mr. Howard, Mr. Ackinson, and the governor for their professionalism in providing this service to vulnerable families and students in need of student loans.

In response to questions from Senator Buford, Mr. Ackinson said $50 million is enough to get them through the crisis. The $50 million pool will be revolving, and every week to ten days, they can put loans into these participation pools. Mr. Ackinson said KHESLC has another $40 million in loans that also may be put to the federal government. A total of $90 million in loans should be sufficient.

Representative Denham asked what state agencies will buy these bonds and how the yield was determined. Mr. Howard said OFM determined the yield on the bonds. The state has three investment pools, one operates like a money market fund, another operates like a very short-term duration bond fund with an average life of about a year, and then there is a pool for bond proceeds. For the money market fund generally, the average maturity is 90 days or less. However, this $50 million bond issue has an approximate one year maturity date. He said this is a private placement, has a 144A designation and rating, and as such was priced at commercial paper rate plus a spread.

Mr. Howard said there was much debate amongst the staff about what the proper rate was, and investment staff were comfortable at the commercial paper rate plus 50 basis points. The current rate for 90-day commercial paper is 2.82%, with the addition of 50 basis points the yield will be 3.32%. The corresponding Treasury would yield 2.04 % and an agency security would yield 2.95%. He said they have about $130 million in other taxable municipal bonds.

In response to questions from Senator Buford, Mr. Howard said these bonds will be put into the state investment pool. All state agencies that have an account in the state accounting system are assigned to one of two investment pools. This investment will be pro-rated among those in the pool. He indicated that the investors would make 75-100 basis points more than they would by investing in US Treasury notes.

Senator Tori asked what KHESLC's loan default percentage is. Mr. Ackinson said the default percentage is approximately 5%, and has not changed much over the years.

The federal government guarantees 97% of the loan amount. The Kentucky Higher Education Assistance Authority (KHEAA) is a guarantor for these loans as well, and is the first place a default goes for payment before it goes to the federal government.

Representative Denham said a few years ago, the federal government successfully put in new controls to collect these delinquencies where the federal government does not allow tax refunds if someone is in default on a student loan. Mr. Ackinson said student loans are not underwritten. Under the federal legislation, all students are eligible for these loans.

Senator Tori made a motion to approve the bond issue. The motion was seconded by Representative Damron and passed by unanimous roll call vote.

Next, Mr. Howard presented follow-up reports for previously approved bond issues: KHC Housing Revenue Bonds, 2008 Series C/D, $50,000,000; University of Louisville General Receipts Bonds, 2008 Series A, $86,145,000; and KEDFA Variable Rate Demand Revenue Refunding Bonds Series 2008 (Retirement Housing Obligated Group – Colonial Gardens and Colonial Heights.) The bond issues were approved at a previous Committee meeting, and no further action was required.

In response to a question from Representative Denham, Mr. Howard said Colonial Heights and Colonial Gardens are located in the City of Florence.

Mr. Howard presented three new school bond issues with School Facilities Construction Commission (SFCC) debt service participation: Erlanger-Elsmere Independent School District (Kenton County), Jefferson County, and Warren County.

Representative Wayne made a motion to approve the school bond issues. The motion was seconded by Senator Buford and passed by roll call vote. Representative Damron abstained from the vote due to a potential conflict of interest.

Next, Ms. Osborne reported two locally-funded school bond issues submitted to the Committee for review this month: Barren County and Pike County. She said all disclosure information has been filed, and no further action on the bond issues was required.

Ms. Osborne said members' folders also contained two information items which did not require Committee action: a bond redemption resolution for monoline bond insurers and the updated debt issuance calendar.

Representative Denham asked Ms. Pat Ingram, Committee Staff Administrator for the Capital Planning Advisory Board, to come up to the table. He said effective September 1, 2008, Ms. Ingram will retire from the Legislative Research Commission.

He then thanked her for her hard on behalf of the Committee. Ms. Osborne then read a resolution in honor of Ms. Ingram.

Representative Wayne made a motion to accept the resolution. The motion was seconded by Senator Buford and passed by unanimous voice vote.

Ms. Osborne said the Committee's next meeting is scheduled for September 16, 2008, at 1:00 p.m. in the Capitol Annex Building. With there being no further business, the meeting adjourned at 2:30 p.m.